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DEPARTMENT FOR A/S FRIED, DAS BRYZA, EUR/CARC AND DRL

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TAGS: PGOV PREL PHUM KDEM GG
SUBJECT: WHAT THE PARLIAMENTARY ELECTIONS MEAN FOR DEMOCRACY IN GEORGIA

Classified By: AMBASSADOR JOHN F. TEFFT. REASONS: 1.4 (B) AND (D).

- 11. (C) Introduction and Summary: Initial results from the May 21 Parliamentary elections indicate that President Saakashvili's ruling United National Movement (UNM) will receive an overwhelming majority in the new Parliament, taking some 120 out of 150 seats. Three factors appear to have contributed to this sweeping victory: UNM had a better-financed, better-organized and more appealing campaign, opposition supporters did not go to the polls, and the new electoral system favored the stronger party. What does this mean for Georgia? In the short term, this result will prolong the tensions between the ruling party and the opposition as the opposition tries to grapple with its crushing loss at the polls. We are pressing the opposition to move their fight from the streets to the Parliament and the ruling party to give the opposition real power in Parliament, despite its majority. In the longer term, this result will allow reform to continue apace but will not contribute to some of the important steps needed to further consolidate democracy here, such as a multi-party Parliament that acts as a real check on the Executive. This will take time and requires continued U.S. support. We believe that a combination of factors will move Georgia in this direction, including the rise of new political parties as they begin to jockey for position during President Saakashvili's second (and final) term of office. Georgia is a vibrant democracy, but its democratic roots are shallow. Georgia needs continued U.S. and Western help to deepen these roots, especially by helping Georgia create the checks and balances needed in every democracy. End summary.
- 12. (C) Initial results from the May 21 Parliamentary elections indicate that President Saakashvili's ruling United National Movement (UNM) will receive an overwhelming majority in the new Parliament, taking some 120 out of 150 seats. is a stunning victory for the party led by the President following last fall's domestic crisis, the hotly-contested Presidential election in January and the agonizing and vitriolic debate between the ruling party and the opposition since then. Why did the UNM win so decisively, despite the challenges of the last seven months? We can point to three factors. First, the UNM simply ran a better-financed, better-organized and more appealing campaign. While the opposition focused on pointed, personal attacks on Government officials, UNM's repeated refrain was an issues-based campaign focused on the theme of Saakashvili's second term, "Georgia without Poverty." One of the key aspects of this campaign is the UNM's pledge to raise pensions to 100 USD this summer. This is a popular reform. At the same time, UNM's campaign defeated all other parties in terms of funding and sheer organization. Spending some 15 million Georgian Lari (10.27 million USD), UNM candidates appeared on billboards throughout the capital, and the UNM was the only party - with the exception in places of Giorgi Targamadze's Christian Democratic Party - to have offices and staff in every part of the country for weeks prior to the election.

- 13. (C) A second factor of the UNM's victory is the simple fact that opposition supporters did not go to the polls. Overall, some 150,000 fewer voters voted for the opposition in the Parliamentary elections than in the Presidential elections. In Tbilisi alone, ruling party officials claim that the opposition lost 50,000 supporters, while the UNM picked up 10,000. There is some question as to why. voters disillusioned by the never ending protests of the opposition as many ruling party members suggest, or did voters simply believe that their vote would not impact the outcome of the elections? It is likely a bit of both. Ruling party members also attribute the loss of opposition votes in the cities to the passing of oligarch Badri Patarkatsisvili, whose money they believe helped to keep at least some of the opposition afloat and whose absence from the scene leaves the opposition in disarray. They also note that opposition leader Davit Gamkrelidze's marked turn toward a radical, hard line approach after joining with the Joint Opposition pushed some of the more moderate parts of his support toward the UNM. Finally, when you ask people on the street how they voted and why, even those who do not like the UNM say they voted for it because it is seen as the one party that can get things done and change their lives for the better.
- 14. (C) A third and important factor of UNM's victory is the new electoral system itself, which allocates 75 seats to single-seat majoritarian candidates and 75 seats proportionally to party list candidates. This system naturally favors the larger parties in a number of ways. Primarily, the system diminishes the impact of the vote in the cities (where the opposition is stronger) as the

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allocation of seats is done by district rather than by population. The disparity is wide, with Lentekhi District representing 5,942 voters and Kutaisi District representing 153,688. Unlike the U.S. system, both types of MPs majoritarian and party list - are in the same parliamentary body, which equalizes their power. The OSCE's initial election report highlights this issue as a point of concern. There are other factors which make the majoritarian system favor the larger parties -- it requires parties run candidates in 75 different districts and the 30% threshold for victory means that parties needed to capture a significant percentage of the vote. The results bear this 71 out of 75 of the majoritarian seats will go to the out: Comparing the current system to the 100 party list/50 majoritarian seat configuration favored by the opposition, the International Republican Institute believes that the opposition would have likely doubled its current seats in parliament. This would change the current 120/30 split between the UNM and the opposition seats to something around 90/60, thereby perhaps not giving the UNM a constitutional majority of two-thirds of the seats.

 $\P5$. (C) What does this mean for Georgia? In the short term, this will prolong the tensions between the ruling party and the opposition as the opposition tries to grapple with its crushing loss at the polls. Our view is that the opposition has an outsized perception of its level of public support and of the appeal of its revolutionary (and increasingly anti-American/anti-Western) rhetoric. The parallel vote tabulations conducted by local NGOs (and funded by USAID) are consistent with the election results. At some point, the opposition will need to take the fight from the streets to the Parliament. We are encouraging them in this direction in separate meetings with some of the key leaders. At the same time, we are encouraging the Government to offer the opposition some guarantees that it will have real power in Parliament. We understand this is now taking place, with the ruling party offering for example to lower the minimum number of MPs needed to form a faction from 10 to 6 or 7 and to give opposition leaders a Vice Speaker position as well as Deputy Chair and Chair positions on some parliamentary committees. Saakashvili has twice since the election publicly reached out

to the opposition. Steps such as these could give substance to his good public statements.

16. (C) In the long run, the UNM's overwhelming victory in Parliament will allow reform in Georgia to continue apace. This is a positive result for U.S. interests. We will be pressing for early adoption of the Criminal Procedure Code, a key element to advancing judicial reform and independence. Still, one of the evolutionary steps that is needed to deepen democracy in Georgia is a multi-party Parliament that acts as a real check on the Executive -- although not so much so that that reform stops altogether. This will take time and is something that the U.S. should continue to support through diplomacy and assistance. We believe it likely that a combination of factors including the rise of new political parties such as the one presumably to be formed by former Speaker Nino Burjanadze and the likely further break-up of the ruling party will help move Georgia in this direction. We will need to continue to emphasize to the Government and the ruling party in Parliament the importance of multi-party systems and strong parliaments to established democracies. Part of this process will be finding consensus with the opposition on the future electoral system. The key with the opposition will be helping it see it has a stake in the success of Georgian democracy and that part of that success is seeing Georgia resolve disputes through the democratic institutions of the state rather than -- as it has for every Presidential transition except the last -- through some form of perceived revolution. TEFFT